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U.S. FEARS SOVIET MAY SPY ON SHULTZ ON EMBASSY VISIT

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Special to The New York Times

WASHINGTON, April 1 — Administration officials said today that security in the United States Embassy in Moscow might have been so compromised that Secretary of State George P. Shultz might not be able to hold conversations safe from eavesdropping inside the building when he visits the Soviet Union on April 13.

The possibility that advanced listening devices may have been placed throughout the embassy, including the most sensitive communications and meeting rooms, has been raised by the revelation that at least two marines assigned to the embassy's security detail allowed Soviet agents into the building. The marines have admitted to unauthorized socializing with Soviet women.

The officials said the State Department was reluctant to delay Mr. Shultz's important meetings with Foreign Minister Eduard A. Shevardnadze and other senior Soviet officials and had been arguing that at least some parts of the embassy could be swept clean of possible listening devices over the next two weeks.

'Move the Work Real Fast'

"How does he talk in the embassy?" one official asked. "It's a contentious issue, and some people in State want to move the work real fast."

The two marines charged with allowing Soviet spies into the embassy belonged to an elite guard battalion. The battalion commander said today that ranking officers rarely visited the Moscow embassy guards and regarded their supervision as a State Department job.

Administration officials said that because of concern that the agents had placed devices in the communications equipment in the Moscow embassy, the embassy was now being forced to halt all sensitive communications. Messages are now being flown by courier to Frankfurt, where they are transmitted

to the United States.

The officials said it was not clear when the communications from Moscow would be resumed. They added that Mr. Shultz was expected to use the systems aboard his plane to transmit messages to the State Department.

Administration officials, meanwhile, said intelligence analysts assessing the extent of the damage were proceeding on a "worst case" assumption that the Russians were able to read all of the coded communications sent from the embassy during the last year. But officials said American intelligence analysts had not yet found any conclusive evidence that proved the communications systems were compromised.

One official, who said the espionage case was potentially one of the most damaging in history, cautioned: "This could all turn out to be a tempest in a teapot. I hope so. But I doubt it."

Marlin Fitzwater, the White House spokesman, said the security breach and its ramifications were "under investigation."

"It certainly was a very serious breach," he said, adding that President Reagan had been fully briefed by the staff of the National Security Council.

Removing Code Machines

Administration officials said the code machines that put messages into a scrambled form to avoid interception would be removed from the Moscow embassy, returned to the United States and taken apart and minutely examined by experts from the National Security Agency. At that point, officials said, they expect to find a tiny transmitting device similar to the advanced technology used by the Russians to eavesdrop on the electronic typewriters in the embassy.

Code machines work by taking letters and transforming them into electronic signals that can be deciphered at the other end. They have grown increasingly sophisticated, but experts said they could still be defeated if a listening device was inserted in them before the letters were scrambled.

Another way to defeat a code machine occurred in the espionage case involving John A. Walker, the former Navy officer, when the the Russians obtained a code machine, its manuals and the key cards that program them. It is possible that all of this material could have been obtained from the Moscow embassy.

The officials said it would be difficult to prepare a detailed damage assessment without full cooperation of the two Marine guards charged with espionage in the case. Even if investigators eventually received a complete account, it would probably still not be possible to determine conclusively how skilled the Soviet agents were in pierc-

ing the code systems or locked files because the marines themselves probably did not closely monitor what the agents were doing, the officials said.

The Los Angeles Times reported today that the Justice Department had rejected a request from Frank C. Carlucci, the President's national security adviser, that the Marine guards be given leniency in exchange for their cooperation. Administration spokesman denied the account, although one official indicated that Mr. Carlucci had expressed some support for exploring the idea of a deal with the guards.

Officials provided new details today about the espionage cases against the two marines, Sgt. Clayton J. Lonetree and Cpl. Arnold Bracy.

They said the Moscow embassy now had surveillance cameras in many of the sensitive areas suspected of having been penetrated by Soviet agents. But officials said that under the procedures at the time, the cameras and various alarm systems were monitored at a desk manned by a Marine guard. On the evenings in which Sergeant Lonetree is suspected of allowing Soviet agents to enter the embassy, Corporal Bracy was watching the monitors and shutting off the alarms, the officials said.

Corporal Bracy was reduced in rank after it was discovered that he had a relationship with a Soviet woman. Robert E. Lamb, the head of the State Department Bureau of Diplomatic Security, said today that security investigators in the embassy had questioned him in detail about possible espionage, but he acknowledged that "his answers were accepted too readily."

"We have to say we should have pursued that more," Mr. Lamb said.